



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 12, 2013

Kyle Kimmerle
Kimmerle Mining
2056 Sympatica Court
Moab, Utah 84532

Subject: Deficient Extension Request for Notice of Intention to Conduct Exploration and Surety Amount for Notice of Intention to Commence Small Mining Operations, Green River #9 Exploration and Small Mine Projects, E/015/0090 and S/015/0102, Emery County, Utah

Dear Mr. Kimmerle:

The purpose of this letter is to confirm an agreement that you and Wayne Western made on July 9, 2013, regarding the two referenced projects.

1. You will complete a Notice of Intention to Commence Small Mining Operations (NOI) and submit it to the Division.
2. The new mine will have a disturbed area of no greater than one acre.
3. You will provide a detailed map that shows the location of the proposed disturbed area.

Please submit the NOI no later than July 26, 2013.

The surety for the small mine will be calculated on the following basis.

Small Mining Operation 5 Acres or Smaller

Project Size (Acres)	Surety 3 & 5 year escalation 2013	Comments
1 or fewer acres	\$9,400 (3-year escalation) * \$9,700 (5-year escalation)	Minimum amount required
Additional acres up to 5 total acres	\$5,200/ acre (3-year escalation) \$5,300/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Portal	\$2,000 each opening	
Total for 1 (one) acre		\$11,400.00 (3-year escalation) \$11,700.00 (5-year escalation)

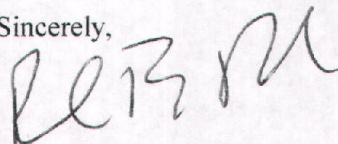
The current surety for the Green River #9 exploration project is \$6,400.00. Upon approval of the new NOI, the Division will close the exploration project and transfer the bond to the small mine project.

Page 2 of 2
Kyle Kimmerle
E/015/0090
July 12, 2013

You will need to post the additional \$5,000.00 or \$5,300.00 in surety within thirty day of conditional approval of the small mine operation. Until the additional surety has been post no exploration or production work may occur on the site. Reclamation activities are allowed. If additional surety is not posted, you have until October 15, 2013, to reclaim the site.

Please contact Wayne Western at 801-538-5263 or me at 801-538-5261 if you have questions or concerns about these requirements. Our e mail addresses are waynewestern@utah.gov and paulbaker@utah.gov. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'PB Baker', is written over the word 'Sincerely,'.

Paul B. Baker
Minerals Program Manager

PBB: whw: eb

Cc: ggochnour@blm.gov

P:\GROUPS\MINERALS\WP\M015-Emery\E0150090-GreenRiver#9\final\LTR-5306-07092013.doc